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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/393,024	09/09/1999	SUZANNE S. ALLISON	2543-128329	2147
26694	7590	09/12/2006	EXAMINER	
VENABLE LLP P.O. BOX 34385 WASHINGTON, DC 20043-9998			ALPERT, JAMES M	
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Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/393,024	<b>Applicant(s)</b> ALLISON ET AL.	
	<b>Examiner</b> James Alpert	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 09/29/2005 (interview summary).
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 2-33 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 2-33 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

In an interview conducted August 31, 2005 between the Office and Applicants' representative, the Office agreed to withdraw the finality of the rejection mailed January 20, 2004, and produce a new Office action. The following communication is generated pursuant to said agreement.

#### ***Status of Claims***

The set of claims currently under examination were filed on 06/08/2004. In that submission, Claims 2-4,9-21,23,25-26,32 were currently amended. Claims 30-31 were previously presented. Claim 1 was canceled. Claims 5-8,22,24,27-29 were submitted as originally entered, and Claim 33 was new. Claims 2-33 are therefore currently pending.

#### ***Response to Arguments***

Applicant's arguments previously filed on 10/07/2002, 03/31/2003, and 06/08/2004 have been given due consideration. However, in light of recently found prior art, new grounds of rejection are presented, which necessarily render said arguments moot. All previously issued rejections are withdrawn. Please consider the objections and rejections set forth below.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 15 recites:

A method for determining at least one financial strategy for assets to meet financial goals, comprising the steps of:

determining an outcome for each of a plurality of financial strategies; and

selecting at least one of the financial strategies to meet the financial goals using a software-implemented decision analysis and the outcomes for the financial strategies;

wherein each financial strategy is determined from a multi-dimensional matrix of at least one financial variable, the multi-dimensional matrix having a plurality of cells, each cell in the multi-dimensional matrix corresponding to one of the financial strategies.

Claim 15 is rejected under 35 U.S.C. 101 as being directed to non-statutory subject matter. It is clear that applicant has directed this claim toward a process, however, according to the Interim Guidelines for Examination of Patent Applications found on the USPTO web site, determining whether the claim falls within one of the four enumerated categories of patentable subject matter recited in 35 U.S.C. §101 does not end the analysis because claims directed to nothing more than abstract ideas (such as mathematical algorithms), natural phenomena, and laws of nature are not eligible and therefore are excluded from patent protection. See the Interim Guidelines at the bottom of page 16, citing several cases including Diamond v. Diehr, 450 U.S. 175, 188-89 (1981). It is the Examiner's opinion that Claim 15 is directed to an abstract idea in that the multi-dimensional matrix from which financial strategies are determined is actually a logical representation of what some particular data represents, and that method steps recited in the claim are not capable of being functionally performed by an apparatus or person.

#### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 6 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant

Art Unit: 3693

regards as the invention. Specifically, Claim 6 indicates that it depends from Claim 4, and that the steps enumerated in Claim 6 comprise the "selecting" step. However, it is apparent from the specification and drawings (at page 22 and in Figure #4, respectively) that Applicants intend that the enumerated steps of Claim 6 are for the purpose of determining a goals hierarchy and obtaining an MUF for said hierarchy. The examiner believes the claims should read:

"A method according to claim 4, wherein the software-implemented decision analysis using multi-attribute utility theory comprises the steps of: "

and then a listing of the steps enumerated in Claim 6. Appropriate correction is required.

Claim 15 is also rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically, Claim 15 appears to be related to a logical representation of what some particular data represents, in that the multi-dimensional matrix from which financial strategies are determined cannot functionally performed by an apparatus or person. Appropriate correction is required.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent...

Claims 2-3,9-13,15-17,19,21-27,29-31 are rejected under 102(e) as being unpatentable over Hodgson et al, U.S. Patent #6985880.

**Specifically, with regard to Claim 2,** Hodgdon teaches the method comprising:

determining an outcome for each of a plurality of financial strategies  
(Col. 4, lines 9-14; Col. 9, lines 35-57))

wherein determining the outcomes comprises the step of performing a plurality of Monte Carlo simulations for each of the financial strategies.  
(Col. 7, lines 13-24; Col. 8, lines 49-61)

selecting at least one of the financial strategies to meet the financial goals using a software-implemented decision analysis and the outcomes for the financial strategies.  
(Col. 12, lines 40-51; also see the remaining discussion of the Hypothetical Illustrator and corresponding worksheets and presentations)

**With regard to Claim 3,** Hodgdon teaches the method the step wherein:

determining the outcomes comprises the step of using a time series database of rates of return for each of the financial strategies. (Col. 18, lines 35-36)

**With regard to Claim 9,** Hodgdon teaches the step wherein:

selecting at least one of the financial strategies comprises the step of using financial preferences provided by an investor. (Col. 11, lines 14-36, describing obtaining financial information, along with information about "wants and needs")

**With regard to Claim 10,** Hodgdon teaches the step wherein:

selecting at least one of the financial strategies comprises the step of using input provided by a financial planner. (Figures 2a-2b; Col. 4, line 57 – Col. 5, line 11; Col. 11, lines 42-58)

**With regard to Claims 11 & 29,** Hodgdon teaches a system and method wherein:

selecting comprises using a combination of financial preferences provided by an investor and input provided by a financial planner.  
Col. 11, lines 14-36; Figures 2a-2b; Col. 4, line 57 – Col. 5, line 11; Col. 11, lines 42-58)

**With regard to Claims 12-13**, the Merriam-Webster's Collegiate Dictionary, copyright 1999, defines heuristic as:

involving or serving as an aid to learning, discovery, or problem solving by experimental and especially trial-and-error methods

In this regard, a heuristic is easily defined as the Monte Carlo algorithms used in the preceding claims. Thus Claims 12-13 are rejected from the citations to passages that are detailed in Claim 2, above.

**With regard to Claim 15**, Hodgon teaches the method step wherein:

each financial strategy is determined from a multi-dimensional matrix of at least one financial variable, the multi-dimensional matrix having a plurality of cells, each cell in the multi-dimensional matrix corresponding to one of the financial strategies.

However, this limitation appears to be related to a logical representation of what occurs in the method steps rather than an actual step that is functionally performed by an apparatus. The results of such a logical representation are seen in similar fashion in Hodgen in Figures 6b-2, 6c-2, 7b-2, 7c-2, 8b-2, and 8c-2.

**With regard to Claim 16**, Hodgon teaches the step wherein:

each financial strategy comprises an asset allocation (Col. 9, lines 35-40), a product mix (Col. 5, lines 27-29), and a likelihood of success for achieving at least one of an investment of assets, an accumulation of assets, or a withdrawal of assets. (Col. 9, lines 64-67)

**With regard to Claim 17**, Hodgon teaches the step wherein:

the asset allocation comprises an allocation of at least one of stocks, bonds, or and short-term securities. (Col. 11, line 59 – Col. 12 line 3)

**With regard to Claim 19**, the Examiner would point out that when Hodgon teaches any of the recited strategies of this claim, the entire list presented in the claims is anticipated. In fact, Hodgon teaches:

Art Unit: 3693

at least one financial strategy includes at least one of the following: periodic withdrawal; inflation adjustment; minimal required distributions; an ordered withdrawal strategy based on tax characteristics of the assets; an ordered annuity purchase strategy based on tax characteristics of the assets; periodic tax adjustment; periodic shifting of asset allocations; periodic rebalancing of assets to align with a current asset allocation; re-investment of excess annuity payments; reinvestment of excess minimal required distributions; investor contributions; asset management fees; staggered investor account starts; or MRD mortality rules. (Col. 2, lines 28-43, describing withdrawals on an annual or quarterly basis, and Col. 9, lines 34-45, describing a strategy that accounts for changes in the CPI)

**With regard to Claims 21**, Hodgson teaches the step comprising:

providing a questionnaire for an investor, the questionnaire for determining preferences of the investor as to the financial goals. (Figures 1b1-1b2, 1c1-1c2)

**With regard to Claim 22 & 30**, Hodgson teaches:

an information storage device embodying the questionnaire of claim 21.  
(Col. 12, lines 64-66; Col. 20, line 10)

**With regard to Claim 23**, Hodgson teaches the step further comprising:

creating report describing the step of determining an outcome, the step of selecting at least one of the financial strategies, and the selected at least one of the financial strategies. (Figures 6-8, inclusive)

**With regard to Claim 24 & 31**, Hodgson teaches:

an information storage device embodying the report of claim 23.  
(Col. 12, lines 64-66; Col. 20, line 10)

**With regard to Claim 25**, Hodgson teaches:

a computer-readable medium having software for performing the method of claim 20.  
(Col. 4, lines 47-56)

**With regard to Claim 26**, Hodgson teaches:

a computer system for performing the method of claim 20. (Col. 20, lines 31)



**With regard to Claim 27**, Hodgon teaches a method comprising:

determining an outcome for each of a plurality of financial strategies using a plurality of Monte Carlo simulations for each of the financial strategies.  
(Col. 7, lines 13-24; Col. 8, lines 49-61)

selecting at least one of the financial strategies to meet the financial goals using the outcomes for the financial strategies.  
(Col. 12, lines 40-51; also see the remaining discussion of the Hypothetical Illustrator and corresponding worksheets and presentations)

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4-8,14,18,20,28,32-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hodgon et al, U.S. Patent #6985880.

**With regard to Claims 4,28**, Hodgon does not expressly teach the computerized method step wherein:

the software-implemented decision analysis uses multi-attribute utility theory (MAUT).

However, the simple fact is that MAUT is an old and well-known concept, and the previous examiner to the case cited a Whinston article entitled "Efficient Selection of Suppliers over the Internet" to stand for this proposition (hereinafter, "Whinston"). In that article, on page 7/14, the author discusses rating and weighing of attributes on a scale of 1 to 10, and the use of MAUT in evaluating choices. The issue to be decided is whether it would have been obvious to one of ordinary skill in the art, at the time

Art Unit: 3693

Applicants' invention was made, to combine the teachings of Hodgson, relating to a method for determining a financial planning strategy, with the teachings of Whinston, related to using MAUT in decision making. The Examiner concludes that the answer is that it would have been. Hodgson expressly discloses the notion of customizing a financial strategy based on a client's needs and wants. See Hodgson at (Col. 11, lines 14-58). Thus, there is a motivation to combine the references, in that using MAUT to further refine preferences of a client in order to tie an investment strategy to client priorities is a natural extension of identifying "needs and wants".

**With regard to Claim 5**, Hodgson does not expressly teaches the method step wherein:

selecting at least one of the financial strategies comprises the step of selecting the financial strategy having a highest utility.

However, the point of using MAUT in the first instance is to determine a decision that is of the highest priority or utility of the client. Thus this limitation is inherent to the teachings of MAUT, and of a combination of Hodgson with Whinston.

**With regard to Claim 6**, Hodgson does not expressly teach these method steps, however the steps simply outline the process in running an MAUT analysis applied to a financial strategies application. These limitations are again inherent to the teachings of MAUT and of a combination of Hodgson with Whinston.

**With regard to Claim 7**, Hodgson does not expressly teaches the method step wherein:

the financial goals, the attributes, the single utility functions, and the weights for the attributes are determined using input provided by a financial planner.

However, as mentioned previously, Hodgon does teach accepting user inputs for needs and wants of a client, as well as input provided a financial planner. See Claims 9 & 10. The information described in the present limitation relates to the information that is required by an application of MAUT to financial planning. Thus this information is inherent to a combination of Hodgon with Whinston.

**With regard to Claim 8**, Hodgon does not expressly teaches the method step wherein:

the weights for the financial goals are determined using financial preferences provided by an investor, input provided by a financial planner, or a combination of financial preferences provided by an investor and input provided by a financial planner.

However, as mentioned previously, Hodgon does teach accepting user inputs for needs and wants of a client, as well as a financial planner. See Claims 9-10. The information described in this limitation relates to the information that is required by an application of the MAUT to financial planning. Thus this information is inherent to a combination of Hodgon with Whinston.

**With regard to Claim 14**, Hodgon does not expressly teaches the method step wherein:

selecting at least one of the financial strategies comprises the step of selecting a financial strategy using a heuristic based on preferences of an investor as to the financial goals, financial variables related to the financial strategies, and utility scores determined for the financial strategies.

However, as demonstrated in connection with Claim 12, a heuristic can be as simple as experimental problem solving using trial and error methods. Thus for the same reasons as Claim 12, this limitation relates to the information that is required by

an application of the MAUT to financial planning. Thus this information is inherent to a combination of Hodgon with Whinston.

**With regard to Claim 18**, Hodgon does not expressly teach the method step wherein:

the product mix comprises a mix of at least one of a mutual fund or and a variable annuity.

However, the Examiner will take Official Notice that mutual funds and annuities are old and well known financial products. As such, it would have been obvious to one of ordinary skill in the art at the time Applicants' invention was made to modify the teachings of Hodgon, related to determining a financial planning strategy, to include a product comprising at least a mutual fund or an annuity. The motivation for such a modification is within the general knowledge of one of ordinary skill in the art, and is to offer as many financial products as possible in order to provide maximum flexibility in determining a financial plan for a client.

**With regard to Claim 20**, Hodgon does not expressly teach the method step wherein:

the financial goals are retirement goals

However, this fact is old and well known in the art. As such, the examiner takes Official Notice that financial planning is often used to enable a client to plan for retirement. As such, it would have been obvious to one of ordinary skill in the art at the time Applicants' invention was made to modify the teachings of Hodgon, relating to a method for determining a financial planning strategy, to include retirement financial goals. The motivation for such a modification is very much within the general knowledge

Art Unit: 3693

of one of ordinary skill in the art and is simply to ensure that goals that are of the highest priority, such as retirement, are expressly provided.

**With regard to Claim 32-33**, Hodgon does not expressly teaches the system and method step wherein:

the financial goals are college tuition financial goals.

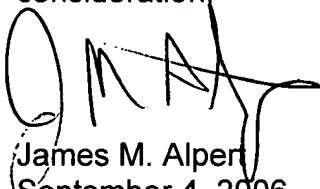
However, this fact is old and well known in the art. As such, the examiner takes Official Notice that financial planning is often used to enable a client to finance a college education for a child. Further, it would have been obvious to one of ordinary skill in the art at the time Applicants' invention was made to modify the teachings of Hodgon, relating to a method for determining a financial planning strategy, to include college tuition financial goals. The motivation for such a modification is very much within the general knowledge of one of ordinary skill in the art and is simply to ensure that goals that are of the highest priority, such as education, are expressly provided.


### ***Conclusion***

**THIS ACTION IS NON-FINAL.** Any inquiry concerning this communication or earlier communications from the examiner should be directed to James Alpert whose telephone number is (571) 272-6738. The examiner can normally be reached on M-F 9:30-6:00. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Art Unit: 3693

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). Respectfully offered for your consideration:

  
James M. Alpert  
September 4, 2006

  
ELLA COLBERT  
PRIMARY EXAMINER